

## GLOSSARY

This glossary was prepared to help you understand some of the more frequently used terms in the Government Services Purchasing Card program:

**30 – Day Limit** - The maximum dollar amount that can be purchased within a monthly cycle. This limit is set at both the cardholder and billing official levels, which manages both the cardholder and the office spending limits within each cycle.

**Account Number** – The identification number assigned to each account.

**Account Setup Information** – Specific information required by the Agency Program Coordinator and U.S. Bank Government Services to establish an active account for each cardholder.

**Agency/Program Coordinator (APC)** – The Agency Program Coordinators for DESC are assigned to the Procurement Planning and Oversight Branch DESC-CPB. These individuals are responsible for the day-to-day operations of DESC's purchase card program. The APC generally serves as the focal point for development and distribution of program policies and procedures, answering questions, contract administration, processing of purchase card applications, issuance and destruction of cards, establishment and review of reports, administrative training and surveillance.

**Authorization** - The process of verifying that a purchase is within the established cardholder limits and parameters. In most situations, the merchant at the point of sale must obtain an authorization prior to processing a transaction using the cardholder's VISA account. The majority of authorizations are done electronically; however, in some circumstances a verbal authorization may be required.

**Available Credit** – The difference between the assigned credit limit and the balance on a cardholder account, plus any outstanding authorizations.

**Billing Cycle Office Limit** – The total limit established for a group of cardholders grouped under a billing official. The monthly (DESC cycle 4<sup>th</sup> to 5<sup>th</sup>) limit assigned to each billing official is determined by the DESC-R. Requests for changes in these funds should be forwarded to DESC-R.

**Billing Official (BO)** – The Billing official should be the cardholder's immediate supervisor or a higher level official. A cardholder cannot be his/her own billing official. The billing official is responsible for reviewing the cardholder's monthly statement of account (SOA) to ensure purchases are made in accordance with the Federal Acquisition Regulation and agency regulations. The billing official should enforce the provisions of these internal procedures and initiate administrative and disciplinary procedures for misuse of the card in accordance with these procedures. The billing official will be designated a purchase card certifying officer by letter of appointment and completion of signature card (DD Form 577). The billing official will authorize payment and forward the billing account statement to DFAS.

**Cardholder (CH)** – The person who is issued the Government Purchase Card. The purchasing card bears this person's name and may only be used by this individual to pay for authorized U.S. Government purchases in compliance with the Federal Acquisition Regulation (FAR). The Financial Management Regulation will be followed for cardholders holding government purchase cards, which will be used for payment of training on form SF 1556. The cardholder will complete the necessary training to be officially designated as a cardholder. The cardholder will make only authorized purchases and will submit and maintain a purchase log and records. Although accounts are issued in an individual's name, the charges incurred are the liability of the agency/organization.

**Cardholder Dollar Limit per Month** – The maximum dollar amount available for cardholder purchases during the monthly cycle, (cardholder 30-day limit).

**Cardholder Dollar Limit per Transaction** – This control limits the maximum dollar amount allowed for each transaction by the cardholder. (See also Single Purchase Limit – SPL)

**Cardholder Statement of Account** – The document, printed every month, on the cycle date, for any cardholder having activity during that cycle period. It is sent directly to the address that appears on the cardholder's account.

**Cardholder Statement of Questioned Item (CSQI) Form** – The document used by the cardholder to dispute an item that is in question. The original is sent to the U.S. Bank I.M.P.A.C. Government Services and a copy is sent to the billing official to be forwarded to DFAS. The cardholder retains a copy for his/her file. Cardholders must make every effort to resolve a dispute with the vendor before accomplishing a CQSI.

**Customer Automation & Reporting Environment (C.A.R.E.)** – An electronic interface which provides functional capabilities including transaction review and approval, transaction reallocation and communication.

**Dispute Office** – DESC's APC who assists the cardholders and U.S. Bank tracking and resolving disputed purchases/transactions.

**Defense Financial Accounting Services (DFAS)** – Upon receipt of the Billing Account Statement from the billing official, DFAS will make payment in accordance with the Prompt Payment Act and DFAS-IN Regulation 31-1. Interest penalties for late payment will be assessed against the cardholder's funds.

**International Merchant Purchase Authorization Card** – (I.M.P.A.C.) – U.S. Bank developed the I.M.P.A.C. Purchasing Card Program for the US Government. Under this program, government agencies/organizations have the opportunity to reduce paperwork, processing time, and costs by giving cardholders the flexibility to make purchases using the I.M.P.A.C. Visa purchasing card.

**Merchant Activity Type (MAT)** - When a merchant becomes Visa-capable, they are assigned a Merchant Category Classification (MCC) or Standard Industrial Classification (SIC) code by their processing bank according to their industry type. For ease of use, I.M.P.A.C. Government Services has grouped the codes into categories which are called Merchant Activity Type (MAT) codes.

**Merchant Category Code (MCC)** – A code that is assigned to the merchant, which identifies the principal trade profession, or line of business (e.g., Manufacturing). The MCC is also commonly known as a Standard Industry Code (SIC).

**Official Invoice** – The invoice that requests payment to be made to U.S. Bank. (Note: The cardholder's statement is not the bill requesting payment, rather, it is a report used by the cardholder to verify transactions). The invoice is sent directly to DFAS with a copy for Budget and the billing officials file.

**Office Limit** – An amount that limits the accumulated maximum dollar amount that can be purchased by the cardholder within a specific billing level within a monthly cycle.

**Reconciliation** – The process by which a cardholder verifies the transactions on their statement against their receipts or records representing all of their monthly purchases.

**Single Purchase Limit (SPL)** – The maximum dollar amount allowed per transaction.

**Tax Exemption** – All government purchases are exempt from state and local sales taxes, in accordance with state law. The phrase "US Government Tax Exempt" is printed on the front of each purchase card. In addition, the cardholder must inform the vendor that the purchase is tax exempt at the time of the purchase. Tax is not an item you can dispute or question utilizing VISA Operating Rules and Regulations.